GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1770
ANSWERED ON:23.08.2007
PROFIT EARNED BY PRIVATE/PUBLIC SECTOR
Singh Shri Suraj;Suman Shri Ramji Lal

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the rate of profit of crude oil processing industries operating in the private sector and public sector in our country is different;

(b) if so, per barrel amount of profit of crude processing industry operating in both the sectors, in the first quarter of year 2007-2008;

(c) the per barrel maximum profit of the public sector crude processing industry during the last two years; and

(d) the steps taken by the Government to do away with the difference of profit of crude processing industry of both sectors ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a) : Yes, Sir.

(b) : The Gross Refining Margin (GRM) per barrel on crude processing in Public Sector Refineries in the 1st quarter of year 2007-2008 is annexed.

Reliance Industries Limited, a Private Sector Refinery, has reported a GRM of 15.40 $/bbl for the 1st quarter of 2007-2008 for their Jamnagar Refinery.

(c) : Numaligarh Refinery Ltd., a Public Sector Refinery, has earned per barrel maximum GRM, during the last 2 years as under:

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2005-06  10.01  $/bbl #
2006-07  11.35  $/bbl #
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includes excise duty concessions for North-East Refineries

(d) : Government has dismantled Administered Pricing Mechanism (APM) for refineries effective 01.04.98 and the refineries are getting margins based on international prices.